**In the High Court of Punjab and Haryana, Chandigarh.**

**C.W.P. No.15909 of 2006**

Date of Decision: 24.5.2007

Allahabad Bank.

…Petitioner.

Versus

State of Haryana and Others.

…Respondents.

**CORAM: HON'BLE MR.JUSTICE M.M.KUMAR**
**HON'BLE MR.JUSTICE ARVIND KUMAR**

Present: Mr.B.K.Bagri, Advocate
for the petitioners

Mrs.Ritu Bahri,
Deputy Advocate General, Haryana
for respondent-State and its Officers

Sarvshri Sanjay Jain, Y.S.Turka, Deepak Sharma,
Satish Chaudhary, Satbir Gill and G.K.Hundal, Advocates
for respondents-employees.

**JUDGMENT**

**M.M.KUMAR, J.**

This judgment will dispose of C.W.P. Nos.15909, 20058, 20059, 20098, 20099, 20138, 20151, 20170, 20184, 20198, 20216, 20245, 20314, 20324, 20325, 20357, 20407, 20408, 20411, 20413, 20417, 20418, and 20420 of 2006 as the common question of facts and law are involved in all these writ petitions. The prayer made by the petitioner-Allahabad Bank in these petitions is for issuance of direction to the respondent-State of Haryana and to its Officers to deduct the instalments of personal loan released to its

employees who have also been impleaded as respondents, from their retiral/terminal benefits and remit the same to the petitioner-bank. A further prayer has been made for restraining the official respondents from releasing the retiral benefits to such employees who have availed the facility of personal loan till its repayment to the petitioner-bank.

It is undisputed that the petitioner-bank has advanced various amounts of personal loan to the employees of the respondent-State and such employees have executed undertakings like the one attached with the C.W.P. No.15909 of 2006 (Annexure P3) and (Annexure P6) which have been executed by the respondent-State through its officers - being the employer. It is also undisputed that the loan was advanced and it is still to be recovered by the petitioner-bank.

In para 5 of the written statement filed in reply to the writ petition (C.W.P. No.15909 of 2006) respondents No.1 to 3 have stated that their employees have availed the facility of obtaining loan from the petitioner-bank. This is common stand taken in all the cases. It has also been conceded that their employees have promised to deposit the amount at the earliest and an affidavit to that effect has been filed by the concerned employee, which shows that the employee was to deposit entire amount of loan with interest from his retiral dues as and when released by the department. A reference to the affidavit filed by the concerned employee, which is similar in all the cases, shows that the employee concerned is prepared to surrender the loan amount from his retiral benefits. In all the cases, an undertaking has been filed by the respondents No.1 to 3 i.e. State of Haryana that the amount due to the petitioner-bank has to be deducted from the employee to satisfy the loan. It has, however, been claimed that legal fee of Rs.11,500/- has to be borne by each of the employee.

In view of the above, the writ petitions are disposed of by issuing

directions to the respondent-State and its officers to deduct the loan amount due to the petitioner-bank in accordance with law from their employees and either from retiral benefits or from their pay, if they are still in service, by way of instalments. After recovery the same shall be paid to the petitioner-bank

However, it is made clear that the petitioner-bank would not be entitled to charge any legal fee, if the payment of loan is made in regular instalments from today onwards, without default. It is further made clear that the regular instalments shall be paid from today onwards and in case default is committed, only then the legal fee of Rs.11,500/- shall be recovered.

Petitions stand disposed of in above terms.

A photocopy of this judgment be placed in all the connected cases.

**(M.M.KUMAR)**
**Judge**

**May 24, 2007** **(ARVIND KUMAR)**
**dkb** **Judge**